

FIS Iron Ore Offshore

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Iron Ore June 26 (rolling Front Month Daily)



	Support	Resistance	Current Price	Bull	Bear
S1	105.43	R1	106.10		RSI below 50
S2	104.20	R2			
S3	102.10	R3			

Synopsis - Intraday

Source Bloomberg

- Price is below the 34 - 55-period EMA's
- RSI is below 50 (43)
- Stochastic is below 50
- Technical outlook previously: inflection point.
- The futures were at an inflection point last week as price had not produced a close and hold above the USD 109.40 level. However, we had daily support at USD 109.00 (previous high), while the RSI moving average implies we had momentum support. Elliott wave analysis suggested that downside moves should be considered as countertrend, providing throwbacks hold above the USD 107.55 support. Below USD 107.55 will weaken the daily an intraday technical, warning that the probability of the futures trading to a new high would start to decrease.
- The futures have sold below the USD 107.55 support, weakening the intraday technical. We are below the EMA support band with the RSI below 50
- Upside moves that fail at or below USD 109.71 will leave the futures vulnerable to further test to the downside, above this level price will re-enter bullish territory.
- Technical outlook: neutral
- The depth of the pullback suggests that the probability of price trading to a new high has started to decrease. We identify USD 105.40 as a key level to follow, as a move below this level will break intraday and daily fractal support levels, confirming the lower timeframe bullish Elliott wave cycle has failed. The RSI has negative velocity but is showing signs of positive acceleration, implying sell side pressure has slowed; However, the RSI moving average continues to warn of momentum weakness. Market sellers should be cautious on a daily close above the high of the last dominant bull candle at USD 107.40, as it will signal an increase in buy-side pressure, warning the USD 109.71 Fibonacci resistance could be tested.

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